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WORLD NEWS DIGEST WITH INDEX

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Week in Headlines

International

Pro-Soviet military group gained power in Syria.

U.S. & allies offered Russia terms for 2-yr. ban on A-tests.

Security Council refused to hear Arab complaint against British actions in Oman.

United States

President scored Congress' failure to pass his program, urged restoration of foreign aid cuts.

AF researcher set altitude mark for balloonists.

UAW offered to curb wage demands if automakers cut prices.

N.Y. Giant directors approved club's move to San Francisco.

Died: scientist Irving Langmuir.

WORLD AFFAIRS

MIDDLE EAST

Syrian Leftists Take Power. The Govt. of nominally neutralist Syria reportedly came under the control of leftist & pro-Soviet political elements Aug. 17-18. The shift in power, termed a coup by many Western observers, followed the replacement of moderate Army leaders with members of a clique led by Col. Afif Bizri, 43, an associate of the leftist Syrian Army intelligence chief, Col. Abdul Hamid Serraj, and reputed member of the Syrian Communist Party. [See pp. 258D3-259C1, 119B-D1; Vol. XVI, 395A-C1]

Wide World

BIZRI

The movement of the pro-Communist group to overt command of the Syrian Army was accomplished Aug. 17 with Bizri's promotion to major general & his appointment as Army chief of staff to succeed moderate Gen. Tewfik Nizameddin, 44, who had retired Aug. 15, evidently under leftist pressure. Brig. Amin Nafouri, ex-moderate now associated with the leftist group, was named Aug. 17 as deputy chief of staff to replace Brig. Abdul Karim, who also had retired Aug. 15. [See p. 119D1]

Decrees appointing the leftists to command of the Army were signed by Syrian Pres. Shukri al-Kuwatly, who previously had been thought to support efforts to keep Army leftists & moderates evenly balanced. Kuwatly strengthened the leftists' control of Syrian security forces Aug. 17 with decrees naming Brig. Jamal Faisal as gendarmerie commander and Lt. Col. Abdullah Nassouem as chief of police & security units. Kuwatly decreed the dismissal of 10 moderate Army leaders Aug. 18 before flying to Egypt for medical treatment & talks with Egyptian Pres. Gamal Abdel Nasser. A number of moderate officers were said to have fled to Lebanon Aug. 18. [See pp. 186A3, 119C-D1]

Col. Ibrahim el-Husseini, Syrian military attaché in Rome who was accused of complicity in a U.S. plot against the Syrian Govt., had told newsmen Aug. 16 that Syria was heading toward a Communist-run military dictatorship with "giant steps." Husseini blamed the shift on a "captain's plot" by Army officers, who, he said, would turn Syria into a Soviet satellite if it were necessary to preserve their power. Husseini said Aug. 17 that he would return to Syria to fight the charges against him. [See p. 259A1]

Bizri Charges U.S. Plot. Bizri, interviewed by western newsmen in Damascus Aug. 20, charged that the U.S. had plotted to send "gangsters made in America" to assassinate himself, Nafouri & Serraj. He renewed Syrian charges that the plot had been masterminded by Howard E. Stone, recently expelled U.S. Embassy 2d Secy., and charged Jordanian & Lebanese complicity in the plan. Bizri denied that he or the Army were running the Syrian Govt. or had ties to any political group. However, he said: "If you explain a Communist as any man who loves his country, then I am a Communist."

Syrian Forgn. Min. Salah el-Bitar charged Aug. 19 that Syria had been "the target of destructive activities aimed at making her accept the Eisenhower Doctrine." Bitar denied that the appointment of Bizri indicated a pro-Soviet shift on the part of the Syrian Govt. He asserted that the U.S. had led a "conspiracy to overthrow the Syrian & Egyptian regimes" & replace them with Govts. that would "join the imperialistic line." Bitar said that the maintenance of U.S.-Syrian diplomatic relations would depend on steps the U.S. "wants to adopt in the future." [See p. 146C2]

A Syrian Govt. statement issued Aug. 20 said that the Syrian UN delegation had been instructed to inform the Security Council of "the plot recently carried out by a number of [U.S.] Embassy officers in Damascus to overthrow Syria's democratic regime" and of "the serious threat to Middle East peace which would arise if such plots are continued."

U.S. State Dept. spokesman Lincoln White denied the Syrian charges Aug. 20, noting that the Eisenhower Doctrine had been designed to preserve, not disrupt, Mid-Eastern peace.

'Ike' Sees Soviet Aim in Syria. Pres. Eisenhower told newsmen Aug. 21 that, in his opinion, the "ultimate aim" of the USSR in the current crisis was to control the Syrian Govt. The President, stressing that the Syrian situation did not "at present justify any kind of action at all under the Eisenhower Doctrine," said that he did not consider the Syrian Govt. yet to be under Soviet control. He described the new Syrian ruling clique as having "leftist leanings." Asked by newsmen whether he would term them Communists, Mr. Eisenhower said that it was good military & political strategy to "always give your enemy a line of retreat if you can."

UN Bars Oman Complaint. The UN Security Council, meeting in New York Aug. 20 at the request of Arab states, refused by a 5-4 vote to place on its agenda an Arab complaint that Britain had committed "armed aggression" in Oman. Britain, France, Australia, Colombia & Cuba voted against a discussion of the complaint. The USSR, Iraq, Philippines & Sweden voted for it. The U.S. abstained and Natl. China did not participate.

British UN delegate Sir Pierson Dixon, arguing against consideration of the complaint, held that the rebellious Iman of Oman was a religious ruler, not "sovereign," as was the pro-British Sultan of Muscat & Oman, and that measures through which the sultan conferred partial autonomy on Omani tribes did not constitute international treaties. Soviet delegate Arkady A. Sobolev, supporting the Arab complaint, characterized Britain's support of the sultan as part of an Anglo-U.S. design to "seize oil-bearing properties belonging to the Arab people." U.S. Amb.-to-UN Henry Cabot Lodge Jr. noted that "military conflict has subsided" in Oman and recommended that all Govts. strive to bring about peaceful settlements & avoid moves that would create more Mid-East contention.

The sultan had sent the Council a message Aug. 19 opposing its consideration of the Omani rebellion, which he called a matter of "internal jurisdiction." Arab nations sponsoring the complaint to the UN: Egypt, Iraq, Jordan, Lebanon, Libya, Morocco, Saudi Arabia, Sudan, Syria, Tunisia, Yemen. [See p. 259D-G1]

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REFERENCES in brackets give location of background information in this & preceding volumes

Disarmament

U.S. Offers 2-Yr. A-Test Ban. In a major concession to Soviet demands for suspension of nuclear weapons tests for at least 2 to 3 yrs., Pres. Eisenhower announced Aug. 21 that the U.S. had offered to negotiate a 2-yr. test suspension as "a major step toward reaching a sound & safeguarded first-step arms control agreement." [See pp. 249C2, F2, 241G2, 233E1, 225C2, 219A2, 209B1]

Mr. Eisenhower, in a statement issued by the White House, described the U.S. offer as "a significant change in our proposals" made at UN Disarmament Subcom. talks currently under way in London. He warned, however, that the U.S. would continue "such nuclear testing as our security requires" until a suitable first-stage disarmament treaty was negotiated & enforced.

The President said that he had authorized State Secy. John Foster Dulles to offer the test suspension "under certain conditions & safeguards," among them (1) "a permanent cessation of production of fissionable materials for weapons purposes," and (2) the "installation of inspection systems to ensure performance" of the test ban. The USSR had agreed June 14 to permit the establishment of air & ground A-test inspection posts on Soviet territory. [See p. 193B1-E3]

(Eisenhower Admin. officials, originally opposed to extension of the U.S.' 10-mo. test suspension offer, were reported to feel Aug. 21 that the longer test ban would not necessarily obligate the U.S. to disband nuclear weapons research teams nor permit leisurely Soviet obstruction of other necessary disarmament treaty provisions. Washington informants noted that [1] the test moratorium could be re-examined at the end of a year in the light of progress on control of production of fissionable materials and other provisions, and [2] weapons experts could engage in other nuclear research.)

The U.S.-sponsored Western proposal for a 2-yr. nuclear weapons test ban was presented to the Disarmament Subcom. Aug. 21 by U.S. delegate Harold E. Stassen with the backing of Britain, France & Canada. Jules Moch, French delegate, reported Aug. 21 that he had emphasized to Soviet delegate Valerian A. Zorin that the plan was "designed to form part of a partial disarmament agreement of which the various parts are inseparable." The Western proposal had been transmitted to & approved by all NATO members. [See p. 241B1]

Stassen, Pres. Eisenhower's Special Advisor on Disarmament Problems, had inserted into the subcommittee record Aug. 8 a statement by Pres. Eisenhower in which the President stressed that U.S. nuclear weapons control & inspection proposals were negotiable, and that the U.S. intended "to see whether we can develop enough confidence . . . between the opposing parties to go a little further." [See p. 193D2]

Zorin Says Obstacles Remain. Soviet Dep. Forgn. Min. Zorin told the UN Disarmament Subcom. in London Aug. 21 that Western preconditions still prevented agreement on a nuclear weapons test suspension. Zorin expressed gratification over the new proposal and promised that it would receive careful study. However, he accused the Western powers of deliberately linking the test ban with a first-stage disarmament treaty, which would require agreement on inspection, fissionable-material production controls, conventional arms reductions & safeguards against surprise attacks.

In addressing the subcommittee Aug. 15, Zorin had insisted that any first-stage disarmament treaty must contain an unconditional agreement on a compulsory 3-step reduction of conventional weapons & forces. He rejected Western proposals that an initial conventional arms cut be followed by a European political settlement—primarily on Germany—before action on 2d & 3d phase reductions. He renewed Soviet demands for a Western reply to proposals for the withdrawal of NATO & Warsaw Pact forces from foreign territory & liquidation of foreign military bases. [See p. 233F3]

U.S. Continues Tests. The U.S. Atomic Energy Comm. detonated the 12th nuclear device in its current test series Aug. 18 at its Yucca Flat proving grounds. The 11th device had been detonated at Yucca Flat Aug. 7 [see p. 243G1]. 11 members of a pacifist group, Non-Violent Action Against Nuclear Weapons, were arrested Aug. 6 for entering a restricted AEC area at Yucca Flat while protesting U.S. tests. [See p. 255F3]

(Hiroshima, Japan commemorated the 12th anniversary of the first atomic bombing Aug. 6 with ceremonies in Peace Meml. Park, situated at the point of the first bomb's detonation.) [See p. 177G3]

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Khrushchev on Germany. Soviet CP First Secy. Nikita S. Khrushchev returned to the USSR from East Germany Aug. 14 and told a Moscow reception rally that any move by West German Chancellor Konrad Adenauer to achieve German reunification "from a position of strength" would bring "serious consequences."

Khrushchev, who had left East Berlin Aug. 14 after publicly embracing East German CP Secy. Walter Ulbricht & Premier Otto Grotewohl, was attacked by the U.S. State Dept. the same day for his "crude attempts" to influence forthcoming West German elections against Adenauer. Lincoln White, State Dept. spokesman, said that Khrushchev's efforts had been "equally distasteful" to all parties active in the West German campaign. [See p. 257B1-D2]

(Included in the Soviet CP Presidium group greeting Khrushchev in Moscow Aug. 14 was Soviet Premier Nikolai A. Bulganin, whose demotion was regarded as imminent by Western observers in Russia [see p. 250E-G2]. George Abrams, an American student who attended the 6th World Festival of Youth & Students in Moscow, told the Associated Press Aug. 12 of current Moscow rumors that Vyacheslav M. Molotov, deposed Soviet First Dep. Premier, had committed suicide [see pp. 257F3, 226C3, 218D3]. Moscow dispatches reported Aug. 8 that the Soviet Govt. had replaced the post of First Deputy Premier with Deputy Premierships, now held by Anastas I. Mikoyan, Joseph J. Kuzmin & Alexei N. Kosygin [see p. 218C-F1]. Issues of "Krasnaya Zvezda" arriving in Belgrade Aug. 13 reported the formal rehabilitation of the late Marshal Vasily K. Bluecher, Soviet Far Eastern Army commander executed in 1939.) [See Vol. XVI, p. 207B1]

Soviet-German Talks Halted. The West German. Govt. recalled Aug. 17 its special envoy to Moscow, Rolf Lahr, and broke off German-Soviet trade & repatriation talks for the 2d time. The talks were halted after Soviet negotiators, led by Dep. Forgn. Min. Vladimir S. Semyenov, refused Aug. 16 to discuss the repatriation of an estimated 80,000 Germans in the USSR. West German Forgn. Min. Heinrich von Brentano told an election rally Aug. 18 that Bonn would forego a Soviet trade agreement unless the USSR agreed to release the Germans it held. [See p. 257E-F2]

U.S. Asks Radio-TV Exchange. A U.S. aide-memoire to the USSR proposed Aug. 16 that the 2 nations begin an exchange of radio & TV experts in September. The U.S. note suggested that the visits be preliminary to a future exchange of radio & TV programs in a "periodic, uncensored & reciprocal" manner, which would be discussed beginning in October. The U.S. note rejected Soviet contentions, contained in a Russian aide-memoire of July 26, that U.S. fingerprinting requirements prevented the development of such an exchange [see p. 177B1-F2; Vol. XVI, 404B2]. The USSR's July 26 aide-memoire had backed proposals for a radio-TV exchange on condition that it be made part of negotiations toward a general accord on improvement of U.S.-Soviet cultural relations. The Soviet note, which had answered a U.S. note delivered to the USSR June 24, demanded an end to U.S. fingerprinting regulations but declared Soviet "readiness to discuss the [radio-TV] proposal . . . on a basis of reciprocity." The initial U.S. proposal, made June 24, had urged that the USSR join in an uncensored exchange of TV films & voice recordings by Govt., cultural, scientific & technical leaders on a regular basis. The American note reportedly was inspired by Soviet CP First Secy. Khrushchev's June 2 appearance on U.S. TV, and a subsequent challenge, issued June 13 by Soviet Dep. Premier Anastas I. Mikoyan, that the U.S. arrange with

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Russia for a monthly ½-hr. exchange of views by American & Soviet leaders on the 2 countries' radio-TV networks. [See pp. 185F3-186C1]

U.S. State Secy. John Foster Dulles, queried by newsmen June 11 on proposals for such a program, had favored regular monthly broadcasts by U.S. & Soviet leaders. He said that the USSR never had answered the U.S.'s proposals in 1955 for "reciprocal presentations on current affairs by radio" [see Vol. XV, p. 358G2]. Dir. Arthur Larson of the U.S. Info. Agency, appearing June 16 on NBC-TV's "Meet the Press," had called on the USSR, as a demonstration of its sincerity, to halt its jamming of the Voice of Amer. [See p. 177D2]

Other East-West Developments. Soviet CP First Secy. Khrushchev, meeting with a group of American tourists in the Kremlin, challenged the U.S. July 23 to exchange several hundred students with Russia for one year's study. He asserted that, although "some people would change to capitalism," "something might happen to yours, too." He conceded that the USSR currently was issuing passports to Jews only when their "trip is useful." He noted that Jews recently had been given passports "for repatriation to Poland but we know they went straight on to Israel." [See p. 258B3] . . . The Soviet Intourist travel agency reported July 24 that the USSR was expecting at least 500,000 foreign visitors in 1957, 300,000 of them on business trips. Vladimir M. Ankudinov, Intourist pres., told newsmen that 487,000 persons from 84 countries had visited the USSR and 548,000 Russians had visited 61 foreign countries in 1956—416,000 on business, 44,000 as "pure tourists." He reported that 2,500 Americans visited the USSR in 1956 but only 350 Russians visited the U.S. The Intourist report was issued at a press conference organized by the USSR's State Com. for Cultural Relations with Forgn. Countries, inaugurated May 21 by Yuri A. Zhukov, committee chairman & ex-"Pravda" assistant editor. [See Vol. XVI, p. 404B2] . . . U.S. Vice Pres. Richard M. Nixon, addressing the closing session of the 42d annual convention of Kiwanis Intl. in Atlantic City, N.J. June 27, denounced as "hypocritical double-talk" Khrushchev's assertion that American restrictions had prevented the broadening of U.S.-Soviet relations. Nixon challenged Khrushchev to permit (a) broadened U.S. visits by Soviet citizens, (b) unrestricted travel by foreign visitors within the USSR, (c) unrestricted sale of foreign periodicals in Russia, (d) uncensored news coverage of the USSR, and (e) a proposed radio-TV exchange. [See p. 177B1-F2] . . . A U.S. note to the USSR protested May 13 that U.S. diplomats had been prevented from travelling in legally "open" areas of the USSR by harrassment & unjustified restrictions. The U.S. note offered to reconsider travel curbs currently imposed on Soviet envoys in the U.S. if the USSR took similar action. The State Dept. said June 22 that a Soviet reply, received June 15, had ignored the U.S. bid for relaxation of diplomatic travel restrictions in both countries. [See Vol. XV, p. 2A3]

The Soviet Govt. declared persona non grata & ordered expelled May 7 Martin S. Bowe Jr., U.S. Embassy 2d Secy. in Moscow. Bowe apparently was expelled in retaliation for the American ouster Apr. 17 of Genadi F. Mashkantzev, a Soviet Embassy employe in Washington who was charged by the State Dept. with trying to persuade Peter Pirogov, defected ex-Soviet AF officer, to return to Russia. . . . The Soviet Forgn. Ministry produced at a Moscow press conference May 15 a man identified as ex-Soviet AF Lt. Anatole P. Barzov, who had defected to the West with Pirogov in 1948 but returned to the USSR in 1949 & subsequently was reported executed. Barzov asserted that Mashkantzev had been expelled by the U.S. for delivering a letter he (Barzov) had written to Pirogov. Barzov said that, on his return to the USSR in 1949, he had received an "insignificant term" of 5 yrs. in Siberian "corrective labor camps." [See Vol. X, p. 63M; IX, 282E] . . . A Soviet note protested Apr. 24 against what it termed the U.S.' "campaign of defamation" against Soviet Amb.-to-U.S. Georgi N. Zaroubin and other Soviet diplomats in Washington & at UN Hq. in New York. [See pp. 50F3, 29G3]

The U.S. & Britain protested May 5 against Czech detention near Prague May 4 of Col. Daniel E. Teberg & Group Capt. Cedric Masterman, respectively U.S. & British military attachés. The notes rejected charges that they had penetrated a forbidden military zone and protested the staging of photographs showing them with Czech aircraft & tanks towed to where their car had been halted. . . . The British Govt. May 7 ousted Eugen Perianu, Rumanian Legation attaché in London, for trying to recruit spies from among Rumanian refugees in Britain. [See pp. 115B1, 202D3]

Maxim Nidzi, 60, & Ilya Nidzi, 58, brothers, and Mrs. Daria Artomow, 51, & her 4 children (Alexander, 13, Nina, 12, Olga, 10, Liuba, 2) left New York by plane June 24 as voluntary repatriates to the USSR. Georgi Kozmin, 54, & his wife, Nadezhda, left New York for the USSR June 13 after a Chicago court refused to allow their 4 children to accompany them. Chicago Family Court Judge John J. Clayton Jr. rejected Soviet protests June 15 and ruled that the children would remain in the U.S., "perhaps indefinitely." Chicago deputy sheriffs had seized Peter Kozmin, 9 mo., June 11. Richard Kozmin, 10, George, 8, & Paul, 7, had been Family Court wards since 1953, when the Kozmins were committed to a mental institution. [See Vol. XVI, p. 336D3] . . . The Senate Internal Security Subcom. heard testimony in New York June 11 on the Soviet redefection campaign from Mrs. Olga Samoilow, 23, wife of Igor Samoilow, 27, who left the U.S. for the USSR May 29 with Ivan Bezbabnov, 59. Robert Morris, subcommittee counsel, said June 11 that information reaching the subcommittee indicated that the USSR recently had halted the redefection drive. [See pp. 159C3, 127C-E3]

NATIONAL AFFAIRS

THE PRESIDENT

'Disappointed' in Congress. Pres. Eisenhower told reporters Aug. 21 that he was "tremendously disappointed" that Congress had not adopted "so many" of his recommendations. He refused to assign the blame to either party. "As far as I am concerned," he said, "everybody [in either party] who voted against what I thought was the right thing to do . . . [must] share the blame."

The President indicated that he would not recall Congress for a special session if adequate civil rights & foreign aid measures were not passed. [See pp. 286C-E1, 260C-D1]

Personnel. Pres. Eisenhower Aug. 16 nominated Dr. Paul Darwin Foote, 69, ex-Bureau of Standards physicist who had retired as a Gulf Oil Corp. vice pres., as Asst. Defense Secy. for research & engineering. [See pp. 64B2, 133D1] . . . Neil H. McElroy's nomination as Defense Secy. was confirmed by voice Senate vote Aug. 19. He had told the Senate Armed Services Com. Aug. 15 that he would resign his directorships and sell his stock in Chrysler Corp. & Gen. Electric, would dispose of his interest in 4 oil exploration companies in 6 months, would resign from Harvard committees & as a George Peabody Teachers College trustee and retain only his Proctor & Gamble stock. [See p. 251D-F2] . . . Other Senate confirmations: Aug. 15—John S. Graham, 51, & John F. Floberg, 41, as Atomic Energy Comm. members [see p. 197A1]; Jerome K. Kuykendall (reappointment) to the Fed. Power Comm. by a 50-25 vote* (he was reappointed FPC chrmn. by the President Aug. 17) [see pp. 188A2, 182E3]; Don Paarlberg as Asst. Agri. Secy. Confirmed Aug. 19—Jas. H. Smith Jr., 47, as Intl. Cooperation Admin. director [see p. 260B-C3]; John J. Gilhooley to succeed Harrison C. Hobart (resigned) as an Asst. Labor Secy. . . . Edward M. Gadsby, 57, ex-member of the Boston law firm of Sullivan & Wooster, was sworn in as an SEC member Aug. 20 and immediately designated by Pres. Eisenhower as SEC chairman. . . . The Senate Forgn. Relations Com.

* Sen. Wayne Morse (D., Ore.) told the Senate Aug. 15 that he thought Kuykendall had "deliberately lied" in testifying before the Joint Atomic Energy Com. in 1954 that FPC lawyers had not studied the Dixon-Yates contract while Govt. agencies were processing it. "2 assistant general counsels [of the FPC] had made studies of the proposed contract and condemned it vigorously," Morse charged [see Vol. XIV, p. 373E3]. Sen. John A. Carroll (D., Colo.) told the Senate Aug. 15 that after an FPC examiner reportedly had recommended that the Colorado Interstate Gas Co. be required to pay a $47 million refund to consumers, the company's president had visited Kuykendall to ask him to reopen the case. Such "private conferences with the litigant" were improper, Carroll declared.

Aug. 20 indefinitely postponed action on a bill introduced by Senate GOP leader William F. Knowland (Calif.) to let Pres. Eisenhower nominate Col. Arthur (Abe) Lincoln, 50, director of West Point's Social Sciences Dept., as Asst. State Secy. for Policy Planning without Lincoln losing his military status. . . . Pres. Eisenhower Aug. 19 nominated AF Lt. Gen. Leon W. Johnson, U.S. representative on NATO's military standing group, as a full general.

CONGRESS

Foreign Aid Slashed. A bill (S2130) authorizing $3,367,083,000 for foreign aid in fiscal 1958 was passed by Senate voice vote Aug. 13 and 226-163 House vote (126 D. & 100 R. vs. 89 D. & 74 R.) Aug. 14. The measure, authorizing $497,327,000 less than Pres. Eisenhower had requested, was a compromise worked out in joint conference committee Aug. 8 between the $3,617,333,000 approved by the Senate and the $3,116,833,000 voted by the House. [See p. 237F3]

Mr. Eisenhower signed the bill Aug. 14 and then told reporters at a hastily-summoned press conference that he might have to call a special session to act on a new aid request unless Congress appropriated essentially the full amount authorized—$3,367,083,000 in new money plus $634,377,000 in carry-over funds. [See p. 267E-F2]

The effects of the big cut Congress had made "will be serious," the President said. But he expressed hope that the remaining authorization would enable his Admin. to sustain the U.S.' "essential interests . . . in the free world . . . well enough so that the calling of Congress in extraordinary session will not be necessary." He would watch developments, he said, "and whenever for lack of money the United States' interests become placed in real jeopardy, at that moment I would have no recourse except to call a special session."

(Reviewing mutual security history, Mr. Eisenhower told reporters Aug. 14 that the Korean war "was necessary" in view of "the circumstances existing" then. The U.S.' 135,000 "casualties were required from us in order to support our security in the world and to stand firmly behind the cause of freedom," he declared.) [See Vol. XII, p. 319G-J]

Shortly after the President's press conference Aug. 14, the House Appropriations Com. voted to cut an additional $809,650,000 from his aid program and to appropriate only $2,524,760,000 in new money & $667,050,000 in carry-over funds. The House approved the reduction Aug. 15, passing the bill and sending it to the Senate by a 252-130 vote (114 D. & 108 R. vs. 70 D. & 60 R.). Before passage, the House had voted down, 254-129, a GOP effort to restore $715 million.

Pres. Eisenhower had requested $1.9 billion in new money for direct military aid; Congress had authorized $1.6 billion, but the House's appropriation provided only $1¼ billion. The President's $900 million defense-support request had been cut to $750 million in the authorization and to $585 million in the appropriation. Mr. Eisenhower had proposed an economic-development fund to be financed with $500 million the first year and $750 million in each of the next 2 years. The authorization provided the $500 million for fiscal 1958, only $625 million for fiscal 1959, nothing for fiscal 1960. The appropriation cut this to $300 million for fiscal 1958, nothing thereafter.

Aid Cut Opposed. Pres. Eisenhower, opposing the cut in the foreign aid appropriation, said in a White House statement issued Aug. 15 that: (a) the proposed military aid cut "seems unjustified" and "will seriously delay modernization of the free world's forces in the face of progressively improved Communist forces"; (b) the proposed defense-support cut "will compel . . . dangerous reductions in the size & effectiveness of the forces now being maintained by free nations bordering on Communist lands" and "will lead to serious difficulty in the economies of those nations supporting such forces."

The President told Senate GOP leader William F. Knowland (Calif.) at a White House breakfast conference Aug. 16 that he was pinning his hopes on the Senate for restoration of a "substantial part" of the cut. But Chrmn. Harry F. Byrd (D., Va.) of the Senate Finance Com. said Aug. 20 that the Senate should cut the appropriation even further and eliminate all economic aid, including the economic-development fund.

At an Aug. 19 White House breakfast, Pres. Eisenhower appealed for help to House Speaker Sam Rayburn (D., Tex.), who had aided in defeating attempts to restore the cuts. The President had called Democratic & Republican leaders of both houses to a special White House conference Aug. 12 to plead for his full aid request.

State Secy. John Foster Dulles, presenting the Admin.'s arguments before the Senate Appropriations Com. Aug. 19, said the House cut "is dangerously eroding the security policies which, for a decade, have been sponsored by Democratic & Republican leadership." He said Senate acceptance of the cuts would "involve a serious crisis of confidence in the United States & the dependability of its policies." (Dulles had told a House Appropriations subcommittee in June 18 testimony made public Aug. 10 that Admin. plans to cut draft calls 50% were in reliance on Congress' approval of the full aid program.)

Adm. Arthur W. Radford, retired chairman of the Joint Chiefs of Staff, told the committee Aug. 19 that the aid program was justified & necessary because "in the next war . . . we are going to depend almost entirely on trained forces in being and already in place in the danger spots around the world." U.S. strategy, he said, depended on the U.S.' providing the means for allies to supply both the bulk of these troops and bases for U.S. use. He saw "2 alternatives to such strategy": (1) U.S. forces "in much larger numbers could take the place of these indigenous forces," but this would mean that "nearly every able-bodied young man of military age would spend several years . . . in military service overseas" at a "staggering" cost. (2) "We could adopt a Fortress America concept" that "would merely mean that we postponed an ultimate & violent showdown with international communism or, in the long run, would capitulate."

Support of the aid program on a "wholly non-partisan basis" had been urged by ex-Pres. Truman in a letter read to the House by Rep. A. S. J. Carnahan (D., Mo.) Aug. 15. The program was supported by Americans for Democratic Action Aug. 18.

Senate Democratic leader Lyndon B. Johnson (Tex.) charged Aug. 14 that the Admin. had handled the program so poorly that it had lost "a great deal of public support." He said Congressional mail showed this. Johnson, asserting Aug. 20 that the Admin. had $12 billion available for foreign aid, cited these figures supplied by Chrmn. Otto E. Passman (D., La.) of the House Appropriations subcommittee that had made the cut in the aid appropriation: $6.304 billion in the Intl. Cooperation Admin. "pipeline" (previously appropriated), $3.191 billion in new & reappropriated money, $1.062 billion in counterpart funds (in the currencies of aided countries) and $1½ billion in funds for disposal of farm surpluses.

Sen. J. William Fulbright (D., Ark.) said Aug. 17 that the President had "mishandled" the entire matter and must take the blame for the cuts. He promised to vote to restore some cuts but said he was "not going to knock myself out" because he was "sick & tired" of "fighting for a fellow who won't fight for himself."

Sen. George D. Aiken (Vt.), an Eisenhower Republican, conceded Aug. 17 that Mr. Eisenhower's remarks about possibly calling a special session had "an adverse effect on the Senate" despite the President's insistence that it was not a "threat."

Senate Probes Electrical Unions. A Senate Internal Security Subcom. heard its counsel, Robert Morris, charge Aug. 6 that 16 Communists or ex-Communists had been identified as officials of the AFL-CIO Intl. Union of Electrical, Radio & Machine Workers (IUE). The IUE had been chartered by the CIO in 1949 to replace the United Electrical, Radio & Machine Workers of America (UE), ousted from the CIO as dominated by Communists. IUE pres. James B. Carey charged that Morris had "smeared a great international union that prides itself on its anti-Communist record," but he ordered a union investigation of Morris' allegations.

Ex-UE organizer Bill Wallace, 43, of Mount Vernon, N.Y. told the subcommittee July 23 that the 168-day Singer Sewing Machine Co. strike in Elizabeth, N.J. in 1949 was incited & led by the Communist Party to set a precedent for later strikes in defense plants. Wallace said he had served as one of 20 CP organizers in the UE's Singer Local 401. Wallace named as Communist members in

the Elizabeth project: Louis Schuman, who admitted previous Communist ties before the subcommittee Aug. 6; Archie (Archer) Cole, whose suspension as an IUE Local 485 (Brooklyn) organizer was affirmed by Carey Aug. 10 after Cole had invoked the 5th Amend. Aug. 8 in refusing to answer subcommittee questions about alleged Red ties; Martha Stone, Walter Polechuck, Al Lipari, Walter Barry.

Other IUE members who invoked the 5th Amend. when queried by the subcommittee on alleged past Communist affiliations: Aug. 13—N.J. union organizer Douglas W. Barrett; Aug. 20—pres. Charles Fay & office worker Elinor Jaffe of Local 485 (Brooklyn), N.Y. organizer Milton Felson, Local 477 (Long Island City, N.Y.) bus. mgr. James Garry, Massachusetts organizer Pasquale Berile.

James McLeish of West Orange, N.J. & Dominick Sangiovanni of Stirling, N.J., ex-UE officials, invoked the 5th Amend. when asked by the subcommittee Aug. 15 about their alleged past Communist activities.

Morris, in a telegram Aug. 9 to IUE Dist. 4 pres. Milton Weihrauch of Newark, N.J. named Sylvia Cohen Scribner, Dist. 4 staff member, as a one-time Communist. Morris also offered to name privately 2 other Dist. 4 one-time Communists to Weihrauch, who had termed "libelous and slanderous" Morris' charges that there were Reds on the Dist. 4 staff.

Herman Thomas, ex-FBI informer within the CP, told the subcommittee July 25 that Communists who penetrated the eastern Pennsylvania steel industry tried to prolong the Bethlehem Steel strike in Bethlehem, Pa. in June & July 1952 to curb production during the Korean War. [See pp. 181D2, 29D3]

House Probes Communications. A House Un-American Activities subcommittee, investigating Red penetration of the communications industry, heard ex-Communist Michael Mignon testify July 17 that American Communications Assn. (ACA) pres. Joseph Selly had been a CP member in the late 1930s. (The ACA was expelled from the CIO in 1950 on grounds of being Communist dominated.) Mignon, ex-ACA vice president, named 30 persons he said were CP members in communications work. Ex-Communist Joseph Finsmith, who also testified July 17, named 3 others.

3 RCA employes who appeared before the subcommittee & were suspended from their jobs when they invoked the 5th Amend. against questioning about past Red ties: Frank Grauman, who was cited for contempt by the subcommittee for refusal to answer the queries July 18; Louis J. Stalone & Willis J. Chew Aug. 2.

Admitted ex-Communist Mrs. Concetta Padovani Greenberg of Staten Island, N.Y., a Western Union employe, told the subcommittee Aug. 9 that she feared reprisals after she had given testimony naming 27 persons as CP members she knew in the communications field. The subcommittee ordered her held under indefinite federal subpoena, thus making any attempt to harm her a violation of federal laws.

Western Union employes who refused to answer the subcommittee's questions: Bernard Silber Aug. 2, Mrs. Sarah Freestone Aug. 9. [See Vol. X, p. 188M]

ARMED FORCES

Balloon Record. Maj. David C. Simons, 35, an Air Force doctor engaged in "space medicine" research, soared to a record (for balloons) height of 102,000 ft. in the pressurized gondola of a plastic research balloon Aug. 19-20 & stayed in the stratosphere a record 32 hours. Clad in a jet pilot's pressurized G-suit, Simons ascended from Crosby, Minn. in an instrument-crammed "capsule" to get data on man's reaction to isolation at great heights, cosmic-ray dangers & other space-flight problems. He landed near Elm Lake, S.D. [See p. 184F2]

(The Bell X-2 rocket plane, which went up 126,200 ft. before it crashed in Sept. 1956, was the only manned vehicle to go higher than Simons' balloon. The X-2 altitude mark was disclosed by Lt. Gen. Thomas S. Power, Air Research & Dvpt. Command chief, in a speech in Los Angeles June 19. Maj. Gen. John W. Sessums Jr., AR&DC vice commander, disclosed at the Air Force Assn. convention in Washington July 31 that the X-2 had achieved a record speed of 2,260 mph. before it crashed.) [See p. 141E3]

Economy Moves. Outgoing Defense Secy. Charles E. Wilson Aug. 12 ordered cuts in the rate of spending of the 3 services to bring it down to his new $38 billion ceiling on total military expenditures. The services had been spending at the rate of $40.2 billion a year, and recent economies had reduced this only to $39.984 billion. The AF, which had been spending at a $19.2 billion rate, was cut to $17.9 billion, or $300 million above Pres. Eisenhower's January budget estimate. The Navy, which had spent at an $11.189 billion rate, as compared with the President's $10.389 billion budget figure, was cut to $10.4 billion. The Army, which had a $9.17 billion budget but had been spending at a $9.024 billion rate, was cut to $8.95 billion. [See pp. 259F3, 244D-F3]

Wilson Aug. 6 had ordered the 3 services to stop hiring civilians (except in certain special cases) and to start reducing their civilian payrolls, estimated at 1,160,914. The AF announced Aug. 12 that it would cut its civilian employment by 5% (20,000 employes) before the end of October, and it asked plane & parts makers supplying the AF to make a similar reduction (exception: those doing ballistic-missile work). The Navy Aug. 14 said it would cut 18,000 civilians (4.6%) from its payroll in fiscal 1958 and that most would be gone before Oct. 31. [See p. 167A2]

The Navy announced Aug. 5 that the battleship "Iowa" & 59 other vessels of the Atlantic & Pacific Fleets would be deactivated by Dec. 31 in an economy move but that some might be replaced by ships currently under construction. No cuts were to be made by taking ships from the 6th Fleet in the Mediterranean or the 7th Fleet in the Far East, and no carriers or missile-launchers were to be deactivated. With planned additions, it was expected that the active fleet, currently numbering 975, would be reduced to about 940 by June 30, 1958.

The Defense Dept. Aug. 8 ordered a 10%-15% cut in fiscal 1958 petroleum purchases, which previously had been scheduled at $1.143 billion.

The "N.Y. Herald Tribune" reported Aug. 21 that, as an economy measure, the AF was dropping foreign languages (the language of the host country) as a required subject in the AF's overseas schools for children of personnel serving abroad.

Trials. A Japanese district court in Yokosuka July 31 acquitted U.S. Marine Pvt. Adolph W. Merten, 25, of murder after it was shown that he apparently was drunk when he shot & killed Shiro Takawa, 19, in a bar Oct. 20, 1956. (Japanese courts generally acquit defendants on evidence of drunkenness.) . . . USAF Airman 1/C Benjamin B. Wyang was acquitted by a Japanese district court Aug. 5 of "accidental manslaughter" in the Jan. 9 stabbing of a Japanese youth. . . . A Japanese district court in Otsu June 19 convicted U.S. Army Pvt. Randall B. Boyles, 21, of Kenton, Del. of robbing & killing Buddhist priest Keido Matsubayashi, 31, Dec. 12. The court sentenced Boyles to 15 years in jail. . . . U.S. Army Specialist 3/C De Wayne McOsker, 21, was turned over by French authorities in Paris July 19 to U.S. custody pending his anticipated French trial on charges of killing Abdel Ahmed Liamini, an Algerian, in an argument over the sale of duty-free U.S. cigarettes. [See p. 230G1] . . . The Supreme Court, ruling 6-2 June 10 that civilians accompanying the military overseas were not subject to court-martial for crimes committed in foreign lands, ordered the release of (a) Mrs. Dorothy Krueger Smith, 44, who had been convicted by an Army court in Tokyo of murdering her husband, Col. Aubrey Smith [see Vol. XVI, p. 194D2], and (b) Mrs. Clarice B. Covert, who had been convicted by a USAF court in England of the ax murder of her husband, M/Sgt. Edward E. Covert [see Vol. XV, p. 430E1]. Justices Clark & Burton dissented. Mrs. Smith was freed from prison June 19. Mrs. Covert had been free on bail. . . . Col. John C. Nickerson Jr., Army missile expert convicted of violating secrecy rules, was given a formal reprimand July 9 and transferred July 26 to a job as "inspector of engineering facilities" at Ft. Clayton, Panama Canal Zone, in which he "will not be associated with guided missiles or research & development." [See p. 212F3] . . . Airman 3/C Donald Wheeler, 20, of Cortez, Colo. was given a 4-month sentence by a court-martial in Fuchu, Japan July 22 for flouting a lieutenant's order that he get a "white sidewall" haircut (a trim from ear to crown with only a fringe on top) as required of members of the honor guard to which he had been assigned.

The sentence (which also included loss of $200 pay and reduction to basic airman) was reversed July 25 because of procedural errors in the trial.

FOREIGN

Algeria. French Forgn. Min. Christian Pineau, noting reports that the forthcoming (Sept. 17) UN Gen. Assembly would renew debate on Algeria, said Aug. 18 that France was ready to "discuss" Algeria but "will never accept [UN] orders" on settlement of the rebellion. [See p. 55G2-A3] . . . Robert Lacoste, French Min. Residing in Algeria, urged Aug. 10 that a proposed new loi cadre (basic law) for Algeria provide for: (a) retention of Algeria as "an integral part of France"; (b) an Algerian legislature chosen through a single Franco-Moslem electoral college; (c) a 2d chamber, chosen regionally, to prevent "crushing of the European minority"; (d) an Algerian executive chosen by the French Govt. & holding veto power over the legislature; (e) an Algerian supreme court to mediate between the French & Moslem communities; (f) continued Algerian representation in the French Natl. Assembly. [See pp. 235B1, D3, 220E1] . . . A French Govt. report Aug. 4 defended what it termed France's "misunderstood" efforts to modernize the Algerian economy. It detailed gains in road, hospital, village, school & land development programs costing France 7 billion francs ($170 million) in fiscal 1956-57. A Govt. decree issued Aug. 3 earmarked 500 million francs for low interest loans of up to 5 million francs ($12,000) for French soldiers willing to settle in Algeria. [See p. 220C3] . . . Members of the Algerian rebel Natl. Lib. Front's 4-man Com. of Coordination & Execution (Saad Dahlab, Belkacem Krim, Ramdane Abbane, Benyoussef Ben Khada) declared Aug. 5 that Algeria's rebels had "no intention of turning toward the Communist world," but would "accept aid from any source to hasten their liberation." In a written statement given Thomas F. Brady, "N.Y. Times" reporter, in Tunis, the rebel leaders claimed that well-armed rebel units had defeated French troops "in open battles that last . . . as long as 3 days." [See pp. 235F3-236C1, 220D1] . . . Tunisian Pres. Habib Bourguiba, in a filmed interview shown Aug. 17 on NBC-TV's "Outlook," urged France to end the revolt by offering Algeria its "inevitable" independence. Bourguiba, speaking in Thala, Tunisia Aug. 13, warned Algerian rebels to "respect Tunisian sovereignty" & stop launching attacks from bases in Tunisia. [See pp. 236A1, 219G3] . . . Algerian editions of Paris' "Le Monde" & "L'Express" were seized Aug. 10 for publishing criticism of the French Army in Algeria. [See p. 236C-E1] . . . 1,043 rebels were reported killed in Algerian fighting Aug. 3-17 (800 of them in the week ending Aug. 12). Fighting spread to Laghouat, southern Algerian outpost on the road to French oilfields in the Sahara, with 7 French soldiers reported killed there Aug. 17 [see p. 246E2]. Robert Tartas, 34, subprefect of Frenda, Algeria, was murdered Aug. 15. Si Henni Haj Ahmed, Grand Mufti of Mostaganem, was reported murdered in Mostaganem Aug. 7 [see p. 190C2]. Algerian terrorists killed 6 Moslems & wounded 4 in Paris Aug. 2 and killed 19 Moslems & wounded 18 in Paris & other French cities Aug. 14-15. [See pp. 235B3, 190B2]

Britain. A Treasury statement declared Aug. 19 that the British Govt. would not devalue the pound sterling or change its official exchange rates of $2.78 (buying) & $2.82 (selling) despite "pressure from the backwash of the devaluation of the French franc." The British pound closed on the N.Y. exchange Aug. 18 at $2.78 15/32 for immediate delivery & $2.73¼ for 6-mo. delivery. [See pp. 213F2, C3, 32F1] . . . In a letter to the weekly "New Statesman," the Marquess of Londonderry Aug. 15 attacked the "syncophants" & "aristocratic morons" who defended Britain's royal court against recent criticisms by Lord Altrincham. Londonderry, 19, charged that "all these flunkeys & lackeys have benefited financially & socially from the queen" & "do not wish to see their social security threatened." Londonderry's grandmother, the dowager Marchioness of Londonderry, 77, rebuked him Aug. 16 for his "vulgar," "silly & childish" letter. (A poll published Aug. 12 by the Conservative, monarchist "London Daily Mail" showed 55% of Britons interviewed in favor of a broadened court, 21% opposed, 24% undecided. The London "Daily Express," owned by Lord Beaverbrook, in an editorial entitled "The Useless Peers," charged Aug. 17 that Britain's aristocrats were "now a liability to the nation" and urged abolition of the House of Lords.) [See p. 253F3] . . . British newspapers attacked the Govt. & Forgn. Office Aug. 17 for having, in notes to UN Secy. Gen. Dag Hammarskjöld Apr. 12 & 18, (a) withdrawn British acceptance of Intl. Court of Justice jurisdiction, then (b) renewed recognition of the court except in cases touching on British or UK security or involving Govts. that refused to accept the court's jurisdiction in all cases. [See p. 147G2] . . . British troops sealed off all but 19 major roads linking Northern Ireland with the Irish Republic Aug. 19-20 in an effort to halt renewed IRA guerrilla raids. 3 persons were hurt when police used batons against crowds in Newry, Northern Ireland, Aug. 13 to enforce a Govt. curfew imposed Aug. 12 after raids in Newry & Londonderry. [See p. 213E3] . . . The Treasury announced Aug. 12 that Hardwick Hall, its lands & some works of art belonging to the late Duke of Devonshire had been sold to the Natl. Trust by his heir, Andrew Robert Buxton Cavendish, 11th Duke of Devonshire, for £1.2 million to help pay £5 million due in death & estate taxes on the Devonshire estate. [See Vol. X, p. 387M]

France. The Paris free market value of the French franc fell to 447 to the U.S. dollar Aug. 19 despite controls imposed following the franc's devaluation Aug. 10 to a rate of 420 to $1 for tourists & foreign traders. Simultaneously with the Aug. 10 devaluation, French Finance Min. Felix Gaillard had (1) imposed a 20% tax on all imports except the 40% deemed vital to the French ecoonmy (a 15% tax had been in effect on many unessential imports since April), and (2) authorized a 20% franc premium for all legal foreign currency conversions by firms directing 50% or more of their output into export markets (in most cases replacing tax rebates & a complicated system of subsidies). [See p. 263C1] . . . Continuing an austerity campaign begun Aug. 7, when Premier Maurice Bourgès-Maunoury's Cabt. agreed to Gaillard's demands for a 600 billion-franc ($1.43 billion) cut in the 1957-58 budget, the Bank of France tightened credit restrictions Aug. 12 by raising the commercial discount rate from 4% to 5%. The Govt. ordered Aug. 13 reinforcement of its price inspection system and fixed 1957 wheat prices at 10% below the 1956 levels of $9.57 per 200 lb. (The Natl. Collective Bargaining Bd. approved Aug. 13 a new 175-item price index to determine future movement of France's sliding-scale minimum wage. All international travel fares paid in francs were increased 20% Aug. 13-14.) Finance Ministry officials reported Aug. 16 that foreign currency reserves had increased by $3 million during the first 3 days of devaluation. [See p. 254G1-E2]

Morocco. 7 Moroccans were reported Aug. 19 to have been killed in clashes with Spanish troops in Ifni, the sole remaining Spanish enclave in Morocco. Fighting there was said to have begun as a tribal uprising Aug. 17. [See p. 246A2] . . . The Moroccan Forgn. Ministry announced Aug. 16 that Moroccan Sultan Mohammed V henceforth would be referred to as King Mohammed V, and the Sherifian Empire of Morocco would be known as the Kingdom of Morocco. [See p. 246E1] . . . Moroccan-French economic negotiations on a Convention of Establishment, giving French citizens & interests special privileges in Morocco, were suspended in Rabat Aug. 8 after disagreement over terms for Moroccan guarantees of French property. [See p. 99G3]

Tunisia. Pres. Habib Bourguiba told newsmen Aug. 1 that the new Tunisian Republic was "part of the free Western world" & "will remain so." Bourguiba said that he was studying closely the U.S. constitution as a guide for an eventual Tunisian constitution. He declared that a "Great Maghreb [North African Fed.] will come because the peoples of North Africa want it." [See pp. 245C3-246C1] . . . The new Tunisian Republic's recognition by Morocco Aug. 2 & Libya Aug. 6 ended an apparent rift with its neighboring monarchies. American recognition had been announced July 31, British & French recognition Aug. 1. [See p. 246B1] . . . A Tunisian Govt. decree Aug. 5 confiscated all property & funds of ex-Bey of Tunis Mohammed el Amin Pasha to settle a $3,840,000 beylical debt to the state. [See p. 245C3]

William McChesney Martin Jr., Fed. Reserve Bd. chrmn., in testimony before the Senate Finance Com. Aug. 15, said more saving & less spending by consumers, to provide a larger financial pool for financing capital goods & public projects, was necessary to check inflationary pressures. He rejected the contention of Democrats that more consumer buying to spur production was a better formula for curbing inflation. Martin contended that U.S. consumers had been "spending quite adequately" with "loose money" for the past year and that there were no shortages of goods to contribute to inflation. "The only really basic shortage outside of certain types of skilled labor is in savings," he said. He added in testimony Aug. 19, as the committee continued its investigation of Eisenhower Admin. fiscal policies, that he was "hopeful" that the U.S. economy had reached a "leveling out place." [See pp. 263B1, 207B2, 148D3; Vol. XVI, 437A1]

U.S. gross natl. product rose during Apr.-June to a record annual rate of about $434.5 billion, due largely to price increases and despite declines in net exports, home building & sale of durable goods, the Commerce Dept. estimated Aug. 15. [See p. 239A2] . . . **Personal income** of 171.5 million Americans averaged $2,014 during July and reached a record annual rate of $345.5 billion, the Commerce Dept. estimated Aug. 15. [See p. 239A2] . . . **Cash dividends** paid by U.S. corporations making public reports totaled $764 million during July (2½% more than in July, 1956) and $6.5 billion during Jan.-July (3½% more than in same 1956 period), the Commerce Dept. reported Aug. 16. [See p. 239B2]

U.S. crop estimates were revised by the Agri. Dept. Aug. 9 to 3,065,771,000 bu. of corn, 914,978,000 bu. of wheat. [See p. 231E3] . . . **Federal tax refunds & credits** exceeding $100,000 to firms & individuals totaled $136,264,344 in 1956, the least for any year since 1947, the Joint Congressional Com. on Internal Revenue Taxation reported July 31. Largest: $20,287,225 in rebates & credits to Amer. Viscose Corp., one of 27 corporations that got back at least $1 million, including adjustments in World War II excess profits taxes. Largest noncorporate rebate: $803,052 to the estate of the late Lammot du Pont. [See p. 223F2]

UAW for Car Price-Pay Curb. The AFL-CIO United Auto Workers made public Aug. 17 a proposal that the "Big 3" of the auto industry cut 1958 prices an average of $100 a car below 1957 prices in return for the UAW's promise to "give full consideration to the effect of such reduction on your corporation's financial position in the drafting of our 1958 demands & in our negotiations."

The offer was made in a letter sent by UAW pres. Walter P. Reuther Aug. 16 to presidents Harlow H. Curtice of Gen. Motors, L. L. Colbert of Chrysler & Henry Ford 2d of Ford. Reuther, whose proposal had been approved unanimously by the UAW Executive Board at a special meeting in Detroit Aug. 16, urged this move as "an effective beginning in stopping & reversing the inflationary trend." He expressed disturbance at reports that th eindustry had planned to raise prices when it introduced the 1958 models, "thus contributing further to spiraling inflation."

Reuther's letter cited a statement by past pres. Carl E. Fribley of the Natl. Automobile Dealers Assn. suggesting that lower prices would increase car sales. He said profits from the additional sales should offset much of the $100 cut. [See p. 158F1]

Reuther Aug. 19 made public a letter urging Pres. Eisenhower to support his proposal and saying it was made in compliance "with your repeated requests for self-restraint" by management & labor. [See p. 40B1]

Business & Financial Summary

Week Ended Aug. 17

FINANCE:	This Week	Last Week	Year Ago
U.S. Treasury—			
Monetary gold stocks	*$22,627	6$22,627	*$21,856
Currency circulation	*$31,069	*$30,983	*$30,681
Banks—			
Com'l, ind'l & agri'l loans§	*[a]$31,322	*$31,310	*$28,282
N.Y. bank clearings	$9,167,577,982	$9,809,306,042	$9,752,437,121
England note circulation	*£2,037.062	*£2,055.195	*£1,950.998
N.Y. Stock Exchange—			
Stock sales (shares)	8,800,340	9,422,297	9,030,062
Stock avgs. (100 stocks)**	202.53	205.87	211.53
Bond sales (par value)	$17,652,000	$16,326,000	$17,122,000
Bond avgs. (30 bonds)**	86.28	86.28	94.68
INDUSTRY:			
Auto output (cars & trucks)†	138,847	137,143	120,027
Crude oil (bbls. daily)	[b]6,797,400	6,843,350	7,085,850
Soft-coal output (tons)	[c]9,700,000	10,010,000	9,205,000
Electric output (kwh.)	*[b]12,070	*12,474	*11,530
Carloadings (cars)	[b]740,471	740,711	715,207
PRICES:			
Wheat (bu.)	$2.51½	$2.48⅜	$2.53⅞
Corn (bu.)	$1.57⅝	$1.63⅞	$1.90⅛
Cotton (lb.)	$.3525	$.3515	$.3425
Steel scrap avg. (ton)	$53.50	$53.83	$56.83
Wholesale food index‡	[d]$6.36	$6.39	$6.08
Weekly whlsl. index (BLS)¶	118.1	118.1	114.5
BUSINESS:			
Dept. store sales §¶	[b]110	104	107
Failures (Aug. 8)‡	265	281	229
Forgn. Trade—	**June**	**May**	**June 1956**
Imports	*$1,781.9	*$1,811.3	*$1,697.8
Exports	*$983	*$1,101.9	*$1,033.8

* In millions ** N.Y. Herald Tribune † Ward's estimate ‡ Dun & Bradstreet ¶ 1947-49=100 § Fed. Reserve Board [a] Member banks, 94 cities, Aug. 7 [b] Aug. 10 [c] Aug. 3 [d] Aug. 13

LATIN AMERICA

British Guiana. Dr. Cheddi B. Jagan, 39, left-wing leader whose faction won 9 of 14 legislative election contests, promised Aug. 15 to govern with moderation and seek constitutional changes by "democratic steps." British Guiana Gov. Patrick Renison, in a conference with Jagan Aug. 16, disclosed that the British would permit Jagan to head a new colonial Govt. but would not let him choose the Cabinet. [See p. 262G2]

Cuba. Charles Blaisdell of Odessa, Tex. & José Fuentes, the latter a naturalized American citizen born in Cuba, were deported from Havana to Miami Aug. 14 on grounds that they had been brought from Miami to train Fidel Castro's rebel forces in the use of firearms. Cuban police officials reported Aug. 15 the arrest of 18 youths in Havana as followers of Castro. Explosive materials & revolvers were said to have been found in the apartment of Maria Urquiola Lechuga, one of 2 women among the group of 18. [See p. 262A3]

Dominican Republic. Gen. Hector Bienvenido Trujillo Molina, 49, was inaugurated Aug. 16 for his 2d 5-yr. term as Dominican Republic President. Dr. Joaquin Balaguer also was sworn in as Vice President. The Cabinet named by Trujillo: Defense Min.—Lt. Gen. José Garcia Trujillo; Interior—Emilio Rodriguez Demorizi; Forgn.—Porfirio Herrera Baez; Finance—Virgilio Alvarez Sanchez; Eductn.—Manuel Ruiz Tejada; Agri.—Luis Mercado; Health—José Soba; Industry & Commerce—José Armenteros; Public Works—Juan Valazquez; Labor—Ramón Marrero; Atty. Gen.—Rafael Bonnelly; Development—Luis Julian Perez; Security—Maj. Gen. Arturo Espaillat; Without Portfolio—Virgilio Alvarez Pina. [See p. 262E3]

OBITUARIES

Antony Beauchamp, 39, photographer, husband of Sir Winston Churchill's actress daughter, Sarah, 43; Aug. 18 in London of overdose of sleeping pills. [See Vol. IX, p. 360N]

Joseph Warren Beach, 77, ex-U. of Minn. English Dept. chrmn., novelist, poet, literary critic; Aug. 13 in Minneapolis of heart attack.

Col. George Arthur Burrell, 75, chemical engr. who aided in establishment of U. S. Govt.'s World War I chemical warfare service, helium gas program; Aug. 16 in New York.

Norris Bowie Chipman, 56, U.S. Embassy counselor & deputy chief of mission in Belgrade; Aug. 7 in Coire, Switz. of heart attack.

Thelma Chrysler Foy, daughter of late auto mfr. Walter P. Chrysler, society leader often on N.Y. Dress Institute's annual list of 10 best-dressed women, wife of ex-Chrysler exec. Byron C. Foy; Aug. 20 in New York of leukemia.

Joe Gould, 68, Greenwich Village (N.Y.) "Bohemian" character; Aug. 18 in Brentwood, N.Y.

Hall McAllister Griffith, 57, Amer. Scottish Fndtn. exec. dir., poet, ex-clergyman who helped to organize Orthodox Presbyterian Church in the U.S.; Aug. 17 in New York.

H. Jay Hayes, 88, builder of first all-metal auto body in 1898; Aug. 14 in New York.

Thomas J. Hughes, 67, ex-AP news photo service ed.; Aug. 14 in N.Y.

Earl Jowitt (Wm. Allen Jowitt), 72, ex-British Labor Party leader in House of Lords, Lord Chancellor during Attlee regime, author of "The Strange Case of Alger Hiss"; Aug. 15 in London. [See Vol. XIII, p. 243G3]

Dr. C. Arthur Kulp, 61, Wharton School of Finance & Commerce dean at U. of Pa., authority on social & casualty insurance who advised Govt. on setting up Social Security system, served on Fed. Advisory Council to U.S. Dept. of Labor; Aug. 20 in Phila.

Dr. Irving Langmuir, 76, 1932 Nobel Prize winner for chemistry (for studies of molecular surface films & hydrogen atoms), GE researcher who developed gas-filled incandescent lamp, high-vacuum power tube, atomic hydrogen welding, U.S. Army's World War II smoke-screen generator, artificial rain-making methods; Aug. 16 in Falmouth, Mass. following heart attack. [See Vol. X, p. 39G]

C. T. Loo, 78, Chinese art collector & dealer; Aug. 15 in Nyon, Switz.

Julio Lozano Diaz, 72, Chief of State of Honduras 1955-56, pres. of Pioneer Airline; Aug. 20 in Miami of stroke & pneumonia. [See Vol. XVI, p. 356G3]

Dr. Lawson Gentry Lowrey, 66, psychiatrist, child guidance specialist; Aug. 16 in New York.

Yuvrai Shri Mahendrasinhji, 39, Maharaja of Morvi, India; Aug. 17 in Ascot, Eng. of heart disease.

Compton Pakenham, 64, "Newsweek" magazine Pacific Bureau chief; Aug. 18 in Tokyo following stroke.

Albert Seldon Pennoyer, 69, U.S. artist known for portraits, landscapes & railroad scenes, founder of Railroadians of Amer.; Aug. 17 in auto crash near Madrid, Spain.

John Reichel Sr., 71, bacteriologist, pencillin & blood plasma researcher, head of Sharpe & Dohme Labs.; Aug. 16 in Williamsport, Pa.

Carl-Gustav Rossby, 59, asst. chief of research & eductn. for U.S. Weather Bureau during World War II, ex-MIT & Stockholm U. professor, ex-pres. Amer. Meteorological Society, recently Stockholm Meteorological Inst. chief; Aug. 19 in Stockholm.

Eugene Schoen, 76, architect, interior designer of noted business & public bldgs.; Aug. 16 in New York.

Chang Shu-chi, 59, watercolorist; Aug. 18 in Piedmont, Calif.

Dr. Frank H. Sommer, 84, NYU Law School dean 1916-43, New Jersey Dep. Atty. Gen., "Facts on File" editorial advisor on law; Aug. 18 in Newark, N.J. of heart disease.

Ernest Trigg, 80, ex-Pres. Natl. Paint, Varnish & Lacquer Assn.; Aug. 19 in West Chester, Pa.

SPORTS

Winners

Auto racing: Stirling Moss of Britain, driving a Vanwall, won the 25th Pescara (Italy) Grand Prix Aug. 18. [See p. 264C1] . . . **Baseball:** Bob Keegan, 36, of the Chicago White Sox pitched a no-hit game in defeating Washington, 6-0, in Chicago Aug. 20. (Mel Parnell of Boston had pitched the last AL no-hitter against Chicago in Boston July 14, 1956.) [See Vol. XVI, pp. 335C3, 320E1; XIII, 156H] . . . **Golf:** Judy Eller, 16, of Old Hickory, Tenn. won the natl. girls' title in Denver Aug. 16. Ken Venturi, 26, of San Francisco won the St. Paul open Aug. 18, for $2,800. . . . **Horse racing:** Hasty House Farm's Hasty Doll, Willie Hartack up, won the $103,325 Princess Pat Stakes at Washington Park (Chicago) Aug. 14, for $67,150. Mrs. Ada L. Rice's Hoop Band, John Heckmann up, won the $57,450 Arch Ward Memorial at Washington Park Aug. 17, for $34,400. . . . **Swimming:** Santa Clara (Calif.) Swim Club won the team title in the AAU women's senior championships in Houston, Tex. Aug. 13-16. Paula Jean Myers, 22, of Los Angeles won all 5 diving titles [see Vol. XVI, p. 232G1]. Takashi Ishimoto swam the 100-meter butterfly in world record time of one min. 1.6 sec. in the Japanese natl. championships in Tokyo Aug. 17. . . . **Tennis:** Althea Gibson, 29, of New York won the Essex Country Club women's tourney in Manchester, Mass. Aug. 18 [see p. 240C2]. Malcolm Anderson of Australia won the Newport (R.I.) Casino men's tourney Aug. 18. [See p. 247F3] . . . **Yacht racing:** Richard S. Nye's "Carina" won the Fastnet Challenge Cup English Channel race (605 mi. from Cowes to Plymouth Harbor) ended Aug. 15. [See pp. 247G3-248A1]

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N.Y. Giants' board of directors voted by 8-1 Aug. 19 to move the 6th-place club's NL baseball franchise to San Francisco in 1958 because of poor attendance in New York. An offer submitted by San Francisco Mayor Geo. Christopher to Giants pres. Horace C. Stoneham had pledged the Giants the use of a new city-owned stadium, to be built by mid-1958, for 5% of gross receipts or $125,000 a year, & other inducements. [See p. 175B2]

MISCELLANEOUS

Disasters. 23 persons aboard a 2-engine Ilyushin-14 plane of the Soviet Aeroflot airline were killed Aug. 15 when it struck a power station smokestack and crashed into Copenhagen harbor. . . . 7 mountain climbers trapped by snowstorms on Marmolada Peak near Trento, Italy were given up for dead Aug. 19. [See p. 264B2] . . . Adm. Marco Calamai, 55, brother of Capt. Piero Calamai of the sunken "Andrea Doria" [see p. 36D2], was swept overboard from an Italian Navy yacht and drowned Aug. 19 during a storm northwest of Sardinia.

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U.S. Census Bureau forecast Aug. 10 that the U.S. population would total 200 million by 1970 and that California might displace New York as most populous state. Projection of present trends in migration, birth & death rates was said to indicate a N.Y. population of 18,746,000 to 20,023,000, a Calif. population of 18,656,000 to 20,296,000 by 1970. [See p. 60C3] . . . **Harmon Trophy** aviation awards for achievements the past year were awarded Aug. 10 in New York to USAF Lt. Col. Frank E. Everest, who flew over 1,900 mph. in the Bell X-2 [see p. 269C2; Vol. XVI, 264D2], and Navy Stratolab project dir. Malcolm D. Ross & Lt. Cmdr. Morton L. Lewis, who made a 76,000-ft. balloon ascension. [See Vol. XVI, p. 382B3]

"Confidential" magazine's charge in a story published in Sept. 1956 that actress Maureen O'Hara had committed indiscretions with a Latin-American man in a back-row seat in Grauman's Chinese Theater late in 1953 was supported Aug. 16 & 19 by James Craig, ex-asst. mgr. of the theater, who testified as an eye-witness to the incident in the trial of the magazine's Hollywood representatives in Los Angeles. (Miss O'Hara, in denying the story, displayed to newsmen Aug. 19 a passport showing she had been in Ireland & Europe during Sept. 1953-Jan. 1954. Defense attorney Arthur Crowley identified the Latin American as Enric Parra, Mexican businessman, Aug. 19.) Daniel G. Ross testified Aug. 19 that his N.Y. law firm (Becker, Ross & Stone) received a $100,000-a-yr. retainer from "Confidential" and advised it on questions involving libel & obscenity. Gloria Wellman, estranged adopted daughter of film dir. Wm. Wellman, testified Aug. 20 that she had sold "Confidential" information for 3 scandal stories, one of which described an alleged nude party at the home of actor-singer John Carroll in 1947. Judge Herbert V. Walker ruled Aug. 19 that of 100 film & theatrical personalities subpenaed by the defense, only 14 made the subjects of articles introduced into the trial by the prosecutor could be called to testify. [See p. 264A3]

G. D. (Lucky) Hutchinson, 59, wealthy oil & cattle dealer of Okmulgee, Okla., shot & killed his estranged wife, Hilda, 43, & her sister, Mary Ellen Maloney, 37, then shot & killed himself Aug. 20 in Tucson, Ariz. . . . **S. F. Binstock,** 62, of North Hollywood, Calif., retired jeweler, was blown out of a Western Airlines Convair's washroom and killed by an unexplained explosion July 25 near Victorville, Calif. He had insured himself for $125,000 for the flight. . . . **Red Skelton,** TV-film comedian, returned to New York from London Aug. 5 with his wife, son Richard, 9, a leukemia victim, & daughter Valentina, 10, after having abandoned plans to take the boy on a world tour. Skelton said he had received too much gratuitous advice on how to treat his son and had been unjustly accused of publicity seeking by the London "Daily Sketch." . . . **Dolores Jean Shorty,** 19, of Brigham City, Utah, a Navaho, was chosen "Miss Indian American" at an inter-tribal rally in Sheridan, Wyo. Aug. 5. . . . **Elizabeth Taylor,** 24, wife of showman Michael Todd, gave birth prematurely to a daughter, Elizabeth (Liza) Frances, her 3d child (first by Todd), in New York Aug. 6. [See p. 44G3] . . . **Mt. Logan, Alaska,** 2d highest (19,850 ft.) N. Amer. mountain peak, was scaled for the first time from the eastern side July 19 by Cecil M. Ouellette, 22, of Yakima, Wash. & 4 companions, he reported Aug. 6 in Juneau.

Birthdays: Princess Anne of Britain was 7 Aug. 15. [See Vol. XVI, p. 276C2] . . . Bernard M. Baruch was 87 Aug. 19. The first volume of his memoirs ("Baruch: My Own Story," 377 pp., $5) was published Aug. 19 by Holt. [See Vol. XVI, p. 359D1]